

§31.3111-1

receives \$300,000 in wages from her employer for the same calendar year. H's wages are not in excess of \$200,000, so H's employer does not withhold Additional Medicare Tax. I's employer is required to collect Additional Medicare Tax only with respect to wages it pays which are in excess of the \$200,000 threshold (that is, \$100,000) for the calendar year.

(b) *Collection of amounts not withheld.* To the extent the employer does not collect Additional Medicare Tax imposed on the employee by section 3101(b)(2), the employee is liable to pay the tax.

Example. J, who is married and files a joint return, receives \$190,000 in wages from his employer for the calendar year. K, J's spouse, receives \$150,000 in wages from her employer for the same calendar year. Neither J's nor K's wages are in excess of \$200,000, so neither J's nor K's employers are required to withhold Additional Medicare Tax. J and K are liable to pay Additional Medicare Tax on \$90,000 (\$340,000 minus the \$250,000 threshold for a joint return).

(c) *Employer's liability for tax.* If the employer deducts less than the correct amount of Additional Medicare Tax, or if it fails to deduct any part of Additional Medicare Tax, it is nevertheless liable for the correct amount of tax that it was required to withhold, unless and until the employee pays the tax. If an employee subsequently pays the tax that the employer failed to deduct, the tax will not be collected from the employer. The employer will not be relieved of its liability for payment of the tax required to be withheld unless it can show that the tax under section 3101(b)(2) has been paid. The employer, however, will remain subject to any applicable penalties or additions to tax resulting from the failure to withhold as required.

(d) *Effective/applicability date.* This section applies to quarters beginning on or after November 29, 2013.

[T.D. 9645, 78 FR 71472, Nov. 29, 2013]

TAX ON EMPLOYERS

§31.3111-1 Measure of employer tax.

The employer tax is measured by the amount of wages paid after 1954 with respect to employment after 1936. See §31.3121(a)-1, relating to wages, and §§31.3121(b)-1 to 31.3121(b)-4, inclusive, relating to employment. For provisions

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relating to time of payment of wages, see §31.3121(a)-2.

[T.D. 6744, 29 FR 8306, July 2, 1964]

§31.3111-2 Rates and computation of employer tax.

(a) *Old-age, survivors, and disability insurance.* The rates of employer tax for old-age, survivors, and disability insurance with respect to wages paid in calendar years after 1954 are as follows:

Calendar year	Percent
1955 and 1956	2
1957 and 1958	2.25
1959	2.5
1960 and 1961	3
1962	3.125
1963 to 1965, both inclusive	3.625
1966	3.85
1967	3.9
1968	3.8
1969 and 1970	4.2
1971 and 1972	4.6
1973	4.85
1974 to 2010, both inclusive	4.95
2011 and subsequent calendar years	5.95

(b) *Hospital insurance.* The rates of employer tax for hospital insurance with respect to wages paid in calendar years after 1965 are as follows:

Calendar year	Percent
1966	0.35
196750
1968 to 1972, both inclusive60
1973	1.0
1974 to 1977, both inclusive	0.90
1978 to 1980, both inclusive	1.10
1981 to 1985, both inclusive	1.35
1986 and subsequent calendar years	1.50

(c) *Computation of employer tax.* The employer tax is computed by applying to the wages paid by the employer the rate in effect at the time such wages are paid.

[T.D. 6983, 33 FR 18014, Dec. 4, 1968, as amended by T.D. 7374, 40 FR 30948, July 24, 1975]

§31.3111-3 When employer tax attaches.

The employer tax attaches at the time that the wages are paid by the employer. For provisions relating to the time of such payment, see §31.3121(a)-2.

§31.3111-4 Liability for employer tax.

The employer is liable for the employer tax with respect to the wages paid to his employees for employment performed for him.